

Subject:	ASRP Steering Committee Meeting		
Client:	Alaska Department of Transportation and Public Facilities		
Project:	Alaska State Rail Plan	Project No:	DOT&PF Project No. 2512H030
Date:	October 17, 2013 8:30 AM	Location:	DOT&PF NR Office, 2301 Peger, Fairbanks
In Attendance:	See attached sign-in sheet.		

The meeting started with introductions and a welcome by Mayor Luke Hopkins. Mayor Hopkins stressed that the Alaska Railroad is part of many of our communities and part of our economic vitality. Fairbanks is a regional transportation hub that should be considered for future rail extensions to the north (Prudhoe Bay or Nome) or east (Canada, Lower 48). Benefits to the people and communities should be an integral part of the Alaska State Rail Plan (ASRP). Suggested new bumper-sticker logo: AKRR R US.

## Background

Tom Brigham, HDR, gave a brief overview of the Passenger Rail Investment and Improvement Act (PRIIA) and its relationship to the Alaska State Rail Plan. The purpose of the state rail plan, as stipulated by PRIIA, is to set state rail policy and funding priorities, and to serve as the basis for federal and state rail investments.

The team traveled to seven communities in May and June to obtain public comments. The planning team is also receiving advice and guidance from a Technical Advisory Group (TAG), which provides input on specific aspects of the plan. The most recent TAG meeting, in October 2013 in Anchorage, provided the group with an opportunity to review and refine some materials prior to presentation to the Steering Committee.

## Vision Statement

The revised draft vision now has a preamble followed by the vision statement.

The pioneering ambition that built Alaska was both practical and visionary; using roads, waterways and rail to haul resources to market and connect communities to each other and the world.

*The State of Alaska will use rail to foster growth and trade, build prosperity, support communities, and provide safe and efficient freight and passenger services coordinated with other transportation modes, regionally and internationally.*

Regionally and internationally, as used in the vision statement, covers ports, airports, Canada, etc...

The group discussed the statement and made the following amendment. :

*The State of Alaska will use rail to foster growth and trade, build prosperity, connect and support communities, and provide safe and efficient freight and passenger services coordinated with other transportation modes, regionally and internationally.*

Tom provided the committee a brief overview of the status of the work on the plan.

## Policies

Tom provided an overview of the past, present, and future planning context, and outlined preliminary plan policy goals. The following comments were made by the Steering Committee:

- Clarify use of passenger versus commuter service: change wording to regularly scheduled passenger service (which would include commuter service)
- Emphasize planning: be proactive so that rail is available where and when it needs to be available.
- Emphasize Alaska's role in the Arctic: Shipping is happening now; rail should support ports and development.
- Don't underestimate maintenance: look at rail as a way to extend the life of highways. Deferred maintenance typically costs more than addressing maintenance issues as they arise.

- Watch language: avoid suggestions of only one railroad, which narrows the context of the plan.
- Consider development versus access: Permitting for resource development is at a location. Access to a site is a more difficult process with more alternatives (and more time required). Corridors cannot be built on speculation. Tie developers and agencies together to coordinate larger permitting efforts that consider both development and access. Acknowledge the difficulty in the ASRP and recommend a planning/permitting process to get there more quickly.
- Consider needs and concerns of rural communities: a strength of rail corridors is limited access.
- Include stakeholders: bring in stakeholders while development and access are discussed to consider the options simultaneously. Be cautious of public fatigue in the permitting and review processes.
- Clarify roles: Alaska Industrial Development and Export Authority involvement changes the ability of the public to access a given piece of infrastructure. DOT&PF facilities are typically expected to provide public access. Railroads can use public dollars for investment but it affords a certain degree of access control.
- Consider who has final ownership of the rail line: The State needs to decide if access is public or private. Private development adds a different focus on using public funds and public use.
- Do not restrict ownership: Development would be restricted if all railroads had to be owned by the State. Private funding is needed as well. Do not prioritize one over the other.
- Consider economics: The economics of rail should work for public or private investment (but the planning process could derail the economics of a project).
- Designate corridors: Previously existing corridors have lapsed or are in poor shape. If possible, designate corridors and invest in the corridor studies (for road, rail, communications, etc.). The state can identify the corridors.
- Don't forget NEPA: Projects are subject to the National Environmental Policy Act (NEPA), and information can get stale. Come up with corridors, but we can't wait indefinitely for them to be developed. Perhaps federal approval of the ASRP can kickoff NEPA studies.
- Don't forget MAP-21: MAP-21 added the concept of corridors and development of Corridors of National Significance. The plan may be an opportunity to approach the federal government about Alaska rail as a Corridor of National Significance. This triggers a streamlined, two-tier NEPA process. The first tier focuses on identifying fatal flaws and sets the foundation for the second tier. ASRP provides an opportunity to showcase a project.
- Move people: Clarify the state's role in passenger and commuter service, as well as tourism enhancement.
- Clarify policy for maintenance: What is the policy for maintaining rail in good repair? The state may need to fund maintenance. Rep. Peggy Wilson is currently writing a bill to create an infrastructure fund for all modes of transportation. The Alaska Railroad may need to be part of the capital budget for maintenance backlogs. The current rail extensions (Port MacKenzie, Northern Rail) set precedent for state investment.

Revised preliminary plan goals and objectives were presented to the committee. These include:

- Promote economic development in Alaska; seek rail extensions to new development, defense, and resource opportunities.
  - Establish and re-claim corridors to preserve right-of-way for future use.
- Expand capacity of existing system (maintain track and structures in a state of good repair)
  - Lengthen passing sidings, improvement tunnels, upgrade bridges
  - Increase common carrier rail capacity to the emerging US standard of 315,000 lbs. per car.
  - Implement line relocations and Positive Train Control (PTC) to enhance safety and improve operations
- Support rail's role in international exports, market development, and trade.
- Emphasize interconnectivity with other planning efforts and modes of transport.
  - Establish state rail authority
  - Balance state investments by mode
  - Include rail in emergency service planning.

- Harmonize state policy on railroads.
- Increase regularly scheduled passenger rail services (including commuter rail)
  - Allow for Regional Transit Organizations/Authorities (legislative approval required),
  - Include Anchorage International Airport in regular public rail passenger service
  - Maintain passenger equipment in continuing state of good repair.
- Operate safely
  - Separate the remaining at-grade crossings on the National Highway System.
  - Participate in local government land use planning along corridors
- Operate in an environmentally responsible manner
  - Implement quiet zones to enhance livability.
  - Improve wildlife crossings and culverts for fish passage.

The group also discussed the possibility of including rail as part of the proposed Knik Arm Bridge project. The DOT&PF statutes, State Rail Act, and other relevant policies and legislation may be transferred to overall state policy.

Mayor Hopkins shared the Fairbanks North Star Borough's priority list for consideration by the planning team.

### Safety

Kevin Keller, HDR, provided a brief overview of Federal Railroad Administration safety data for the Alaska Railroad. The railroad's accident rate is in the same range as other railroads, and is generally as safe as any other railroad in the nation.

Positive Train Control (PTC), intended to prevent train collisions with other trains and obstructions on the tracks, is the responsibility of the railroads and is done at their expense. It is estimated that PTC will cost the industry \$10 billion to implement. The cost to the Alaska Railroad is roughly 100 percent of one year's gross revenue.

### Capital Projects

Tom led the group through the ARRC's five-year capital budget. Revenues available to the railroad currently fall short of the annual capital need. An additional group of projects, segregated by time frame (short/mid-term, mid to long-term, and long-term) were presented and discussed. These capital projects have been identified through conversations with the railroads, TAG, and the public. The significant capital need generated by even a small subset of the potential projects clearly shows that future capital needs far exceed the railroad's revenue generating potential. The state or private industry will need to be involved in order for the larger-scale capital projects to be built and operated.

Kevin Keller pointed out that public benefit analyses show why the state should invest in a project; these studies should be added as short term projects in the ASRP. Not all railroads have to be part of the Alaska Railroad: there are design/bid/build/operate examples that could build lines that the State would never be able to do. The ASRP should look at other models of operation other than just the Alaska Railroad.

Ms. Bell asked that a map of existing and developing resources be included in the plan document.

Some specific projects discussed by the group included:

- North Slope/Ambler
- Terminal reserve at Port MacKenzie
- Knik Arm Bridge rail addition
- G7G (Yukon)
- Maintenance

### Financing

Tom posed a number of questions to the Steering Committee concerning the financing of rail development and investment. Representative Doug Isaacson stated that the state constitution calls for self-supporting communities. What are the prioritized projects that will allow the railroad(s) to be self-supporting and to support the goal of self-supporting communities?

Commissioner Bell pointed out that major capital expenditures are not likely to come out of a railroad's operating revenue. The plan should show resource potential, linkages, and not just short-term financial needs. Use the plan to attract external investment, using forward-thinking examples such as an extension to the North Slope and the Northern Rail Extension.

Where there is freight, there is also the opportunity for passengers.

**Next Steps:**

The group requested a meeting prior to completion of the draft document to discuss goals, policy, and financing.

Mr. Aadnesen announced that Bill O'Leary will be the ARRC Steering Committee Representative at future meetings.